

Return of Organization Exempt From Income Tax

2004

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2004 calendar year, or tax year beginning January 1, 2004, and ending December 31, 2004

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Evergreen Freedom Foundation	D Employer identification number 94 : 3136961
		Number and street (or P O box if mail is not delivered to street address) Room/suite PO Box 552	E Telephone number (360) 956-3482
		City or town, state or country, and ZIP + 4 Olympia, WA 98507	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶ _____
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Website: ▶ **www.effwa.org**

J Organization type (check only one) ▶ 501(c) (**3**) ◀ (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

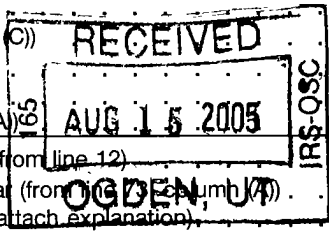
L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **1,686,633**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

SCANNED SEP 09 2005

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	1,235,661	
	b Indirect public support	1b		
	c Government contributions (grants)	1c		
	d Total (add lines 1a through 1c) (cash \$ 1,191,455 noncash \$ 44,206)	1d		1,235,661
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		0
	3 Membership dues and assessments	3		0
	4 Interest on savings and temporary cash investments	4		905
	5 Dividends and interest from securities	5		15,664
	6a Gross rents	6a		
	b Less: rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		0
7 Other investment income (describe ▶)	7		0	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	434,403	8a		
	517,943	8b		
	(83,540)	8c		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		(83,540)	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a		
	b Less: direct expenses other than fundraising expenses	9b		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		0
10a Gross sales of inventory, less returns and allowances	10a			
	b Less: cost of goods sold	10b		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		0
11 Other revenue (from Part VII, line 103)	11		0	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		1,168,690	
Expenses	13 Program services (from line 44, column (B))	13		789,776
	14 Management and general (from line 44, column (C))	14		90,642
	15 Fundraising (from line 44, column (D))	15		298,966
	16 Payments to affiliates (attach schedule)	16		0
	17 Total expenses (add lines 13 and 14, column (A))	17		1,179,384
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		(10,694)
	19 Net assets or fund balances at beginning of year (from line 12, column (A))	19		788,171
	20 Other changes in net assets or fund balances (attach explanation)	20		(8,187)
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		769,290



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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 22 of the instructions)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc.	163,822	111,827	12,985	39,010
26	Other salaries and wages	598,855	400,238	55,437	143,180
27	Pension plan contributions	0	0	0	0
28	Other employee benefits	5,788	5,351	116	321
29	Payroll taxes	51,378	33,758	4,772	12,848
30	Professional fundraising fees	4,288	0	0	4,288
31	Accounting fees	6,129	4,033	567	1,529
32	Legal fees	48,297	48,097	200	0
33	Supplies	9,863	6,584	1,455	1,824
34	Telephone	7,858	4,334	1,286	2,238
35	Postage and shipping	58,886	20,392	598	37,896
36	Occupancy	29,453	22,237	3,325	3,891
37	Equipment rental and maintenance	9,646	6,003	1,202	2,441
38	Printing and publications	86,451	61,934	63	24,454
39	Travel	41,195	24,934	3,234	13,027
40	Conferences, conventions, and meetings	3,617	3,617	0	0
41	Interest	0	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	31,727	20,976	4,778	5,973
43	Other expenses not covered above (itemize): a	0	0	0	0
b	Licenses, fees, misc taxes, insurance	15,545	9,406	415	5,724
c	Research materials	1,800	1,517	217	66
d	Subscriptions, misc. expenses	4,786	4,538	(8)	256
e	0	0	0	0
44	Total functional expenses (add lines 22 through 43) <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15 .</i>	1,179,384	789,776	90,642	298,966

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)

What is the organization's primary exempt purpose? Education, research & analysis	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a Research & analysis of state budget & tax policies - legislative testimony & briefings upon request; published: 2 major reports (5,000 copies), 1 newspaper ad*, 26 policy papers (ED), 38 op-eds*, & 39 press releases*, resulting in 208 news clips*, 57 radio shows (1,399 min)* & 5 TV shows (39 min) (Grants and allocations \$ _____)	\$191,320
b Research, analysis & monitoring of issues surrounding individual liberty, citizenship & governance - legislative testimony & briefings upon request; published: 1 magazine (4,000 copies), 1 postcard (9,800 copies), 3 policy papers (ED), 11 op-eds*, & 12 press releases*, resulting in 87 news clips* & 2 radio shows (75 min)* (Grants and allocations \$ _____)	\$246,828
c Research & analysis of education policies - legislative briefings upon request; published: 2 studies (8,000 copies), 4 policy papers (ED), 22 op-eds*, & 6 press releases*, resulting in 100 news clips*, 44 radio shows (1,526 min) & 5 TV shows (24 min) (Grants and allocations \$ _____)	\$76,227
d Community service - 12 monthly journals (3,245 avg. copies), group & individual briefings (5,000+ people served); constituent research; website maintenance; public & conference speaking; published: 2 op-eds* & 4 press releases* (Grants and allocations \$ _____)	\$233,110
e Other program services (attach schedule) (Grants and allocations \$ _____)	\$42,291
f Total of Program Service Expenses (should equal line 44, column (B), Program services).	\$789,776

*It is impossible to determine the # of people served through radio & TV. The average # of households reached through newspaper articles was 328,000 per week. ED = Electronic Distribution which averages more than 2,500 each.

Part IV Balance Sheets (See page 25 of the instructions.)

		(A)		(B)	
		Beginning of year		End of year	
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
Assets	45 Cash—non-interest-bearing	68,510	45	29,204	
	46 Savings and temporary cash investments	194,400	46	287,501	
	47a Accounts receivable				
	b Less: allowance for doubtful accounts	0	47c	0	
	48a Pledges receivable				
	b Less: allowance for doubtful accounts	0	48c	0	
	49 Grants receivable	0	49	0	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50	0	
	51a Other notes and loans receivable (attach schedule)				
	b Less: allowance for doubtful accounts	0	51c	0	
	52 Inventories for sale or use	0	52	0	
	53 Prepaid expenses and deferred charges	2,656	53	2,656	
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	192,173	54	139,296	
	55a Investments—land, buildings, and equipment: basis				
	b Less: accumulated depreciation (attach schedule)	0	55c	0	
	56 Investments—other (attach schedule)	0	56	0	
	57a Land, buildings, and equipment: basis	648,797			
	b Less: accumulated depreciation (attach schedule)	112,707			
	58 Other assets (describe ▶ _____)	0	58	0	
59 Total assets (add lines 45 through 58) (must equal line 74)	1,010,334	59	994,747		
Liabilities	60 Accounts payable and accrued expenses	2,163	60	5,457	
	61 Grants payable	0	61	0	
	62 Deferred revenue	0	62	0	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0	
	64a Tax-exempt bond liabilities (attach schedule)	0	64a	0	
	b Mortgages and other notes payable (attach schedule)	220,000	64b	220,000	
	65 Other liabilities (describe ▶ _____)	0	65	0	
66 Total liabilities (add lines 60 through 65)	222,163	66	225,457		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	668,603	67	649,045	
	68 Temporarily restricted	119,568	68	120,245	
	69 Permanently restricted	0	69	0	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	788,171	73	769,290		
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1,010,334	74	994,747		

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements . . . ▶</p> <p>b Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments . . . \$ _____</p> <p>(2) Donated services and use of facilities \$ _____</p> <p>(3) Recoveries of prior year grants . . . \$ _____</p> <p>(4) Other (specify): _____ _____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶</p> <p>c Line a minus line b ▶</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990. . . \$ _____</p> <p>(2) Other (specify): _____ _____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶</p> <p>e Total revenue per line 12, Form 990 (line c plus line d). ▶</p>	<p>a Total expenses and losses per audited financial statements . . . ▶</p> <p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990. . . . \$ _____</p> <p>(3) Losses reported on line 20, Form 990. \$ _____</p> <p>(4) Other (specify): _____ _____ \$ _____</p> <p>Add amounts on lines (1) through (4)▶</p> <p>c Line a minus line b ▶</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 . . . \$ _____</p> <p>(2) Other (specify): _____ _____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶</p> <p>e Total expenses per line 17, Form 990 (line c plus line d). ▶</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
G. Robert Williams 6625 149th Ave KP N, Lakebay, WA	President, 50 hours	74,248	16,000	0
Lynn Harsh 6031 78th Ave NE, Olympia, WA	Exec. Dir., 50 hours	73,573	0	0
see attached list of trustees				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
 If "Yes," attach schedule—see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.		✓
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		✓
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		✓
78b	If "Yes," has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		✓
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		✓
81a	If "Yes," enter the name of the organization ▶ _____ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures See line 81 instructions 81a _____		
81b	Did the organization file Form 1120-POL for this year?		✓
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		✓
82b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.) 82b _____		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85c	Dues, assessments, and similar amounts from members. 85c _____		
85d	Section 162(e) lobbying and political expenditures. 85d _____		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. 85e _____		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e). 85f _____		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g _____		
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h _____		
86a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12. 86a _____		
86b	Gross receipts, included on line 12, for public use of club facilities 86b _____		
87a	501(c)(12) orgs. Enter: a Gross income from members or shareholders 87a _____		
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b _____		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX. 88 _____		✓
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ <u>0</u> ; section 4912 ▶ <u>0</u> ; section 4955 ▶ <u>0</u>		
89b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction 89b _____		✓
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____ 0		
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ _____ 0		
90a	List the states with which a copy of this return is filed ▶ Washington		
90b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b <u>17</u>		
91	The books are in care of ▶ Juliana McMahan Telephone no. ▶ <u>(360) 956-3482</u> Located at ▶ PO Box 552, Olympia, WA ZIP + 4 ▶ <u>98507-0552</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 —Check here. ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶ 92 _____ NA		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	905	
96 Dividends and interest from securities			18	15,664	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18 & 01	(83,540)	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				(66,971)	
105 Total (add line 104, columns (B), (D), and (E))					(66,971)

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
NA	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

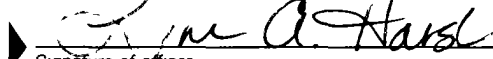
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
NA	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, from a personal benefit contract? Yes No
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, from a personal benefit contract? Yes No
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return and belief, it is true, correct, and complete Declaration of preparer

Please Sign Here

Signature of officer: 

Lynn A. Harsh, Executive Vice President

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: _____

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2004

Name of the organization

Evergreen Freedom Foundation

Employer identification number

94 : 3136961

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Jami Lund 160 Wakefield Dr, Centralia, WA	Project Manager 40 hours	\$53,069	0	0
Irene Endicott PO Box 13618, Mill Creek, WA	Development Associate 40 hours	\$52,500	0	0
Total number of other employees paid over \$50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>7,984</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	✓	
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		✓
b Lending of money or other extension of credit?	✓	
c Furnishing of goods, services, or facilities?		✓
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	✓	
e Transfer of any part of its income or assets?		✓
3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		✓
b Do you have a section 403(b) annuity plan for your employees?	✓	
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		✓
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		✓

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state ▶**
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	
32	Does the organization maintain the following:	32a	
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32b	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32c	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32d	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:	33a	
a	Students' rights or privileges?	33b	
b	Admissions policies?	33c	
c	Employment of faculty or administrative staff?	33d	
d	Scholarships or other financial assistance?	33e	
e	Educational policies?	33f	
f	Use of facilities?	33g	
g	Athletic programs?	33h	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	If the amount on line 40 is— The lobbying nontaxable amount is—		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000. \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41).	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers		✓	
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements	✓		\$7,984
d Mailings to members, legislators, or the public	✓		see above
e Publications, or published or broadcast statements	✓		see above
f Grants to other organizations for lobbying purposes		✓	
g Direct contact with legislators, their staffs, government officials, or a legislative body		✓	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		✓	
i Total lobbying expenditures (Add lines c through h .)			\$7,984

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Form 990
Part I – Line 8 (A)

Schedule of Gain or (Loss) – Securities

Publicly Traded Securities:

Total sale: \$434,403
Total cost basis: \$517,943
Total gain or (loss): (\$83,540)

Form 990
Part I - Line 20

Unrealized loss on securities: (\$8,187)

Form 990
Part II – Line 42

Depreciation Expenses: \$31,727

Form 990
Part III - Line e

Other program services
Research & analysis of health care policies: \$42,291

Form 990
Part IV - Line 54

Stocks are listed at end-of-year fair market value
Corporate stocks: \$139,296

Form 990
Part IV - Line 57

Schedule of Fixed Assets:

Building	\$551,722	line 57a
Accum Depreciation	-48,953	line 57b
Previous Equipment + Increase	97,075	line 57a
Accum Depreciation	<u>-63,754</u>	line 57b
Total line 57c	\$536,090	

Form 990
Part IV - Line 64b

Mortgage payable: \$220,000

Form 990
Part V

List of Trustees

(A)	(B)	(C)	(D)	(E)
Duane Alton 712 N. Lancashire Ln, Liberty Lake, WA 99019	Board Member 1 hr.	\$0	\$0	\$0
Bill Conner 846 108th Ave NE #202, Bellevue, WA 98004	Board Member 2 hrs.	\$0	\$0	\$0
Barbara Kenney 16245 SE 31st St, Bellevue, WA 98008	Board Member 2 hrs.	\$0	\$0	\$0
Mary Jo Kahler 21911 SE 20th St, Sammamish, WA 98075	Board Member 2 hrs.	\$0	\$0	\$0
Andy Nisbet 441 Nisbet Rd, Sequim, WA 98382	Board Member 1 hr.	\$0	\$0	\$0
Alexandra Ockey 431 W 29th Ave, Spokane, WA 99203	Board Member 2 hrs.	\$0	\$0	\$0
Ansgar Schei PO Box 38, Woodland, WA 98674	Board Member 1 hr.	\$0	\$0	\$0
Hans Stoker 2735 84th Ct NE, Olympia, WA 98506	Board Member 2 hrs.	\$0	\$0	\$0
Bob Taigen PO Box 147, Coolin, ID 83821	Board Member 1 hr.	\$0	\$0	\$0
Dr. John Vasko 19411 43rd Pl NE, Sammamish, WA 98074	Board Member 1 hr.	\$0	\$0	\$0
Jim Youngsman 1669 Hickox Rd, Mount Vernon, WA 98273	Board Member 1 hr.	\$0	\$0	\$0

as of 12/31/04

Form 990 - Schedule A
Part III - Line 2b

Lending of money or other extension of credit

Two Board Members loaned money to EFF in the form of Promissory Notes for \$70,000 and \$150,000 respectively for mortgage payable.

Form 990 - Schedule A
Part III - Line 2d

Payment of expenses over \$1,000

Total expenses for the year 2004 were reimbursed as follows:

Cheryl Hymes, Project Manager = \$4,528
Kathryn McDonald, Development Associate = \$4,184
Lynn Harsh, Executive Director = \$3,118
Michael Reitz, Project Manager = \$3,078

Form 990 - Schedule A
Part III-1 and VI-B - Lobbying Activities by Nonelecting Public Charities

Sponsored one newspaper ad in The News Tribune reporting the responses of elected officials and candidates when asked if they would support meaningful performance audits legislation and encouraging readers to contact them about their opinion on this topic.

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ▶
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only ▶
All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization Evergreen Freedom Foundation	Employer identification number 94 : 3136961
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. PO Box 552	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Olympia, WA 98507	

- Check type of return to be filed** (file a separate application for each return):
- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ **Juliana McMahan**

Telephone No. ▶ (**360**) **956-3482** FAX No. ▶ (**360**) **352-1874**

• If the organization does **not** have an office or place of business in the United States, check this box ▶

• If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN), If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

- 1** I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **August 15** , 20 **05** , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ▶ calendar year 20 **04** or
 - ▶ tax year beginning, 20, and ending, 20
- 2** If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3a** If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ - 0 -
- b** If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ - 0 -
- c Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ - 0 -

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.